CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

JUNE 21, 2005

INVOCATION:
Assistant City Manager Haydon gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Mariscal led the pledge of allegiance.

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 6:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino.

STAFF MEMBERS PRESENT
City Manager Ness, Assistant City Manager Haydon, City Attorney Trujillo, Police Chief Macagni, Director of Administrative Services Snodgrass, Director of Utilities Chisam, City Librarian Pinneli, Planning Division Manager Bierdzinski, City Engineer Sweet, Assistant Fire Chief Moreno, Senior Deputy City Attorney Stockton, Fire Battalion Chief Owen, Recreation Services Manager Rodriguez, and Chief Deputy City Clerk Perez.

ANNOUNCEMENTS
Mayor Lavagnino announced that there is a new display in the City Council Chambers located next to the speaker's podium. It is an American Flag flown on a "Hero Mission" in Iraq to remove the body of a soldier who was killed in action. He thanked Robert and Heidi Gruetzemacher of Photoworks Frame Gallery who donated the shadow box which contained the folded flag, a letter and photo from U. S. Army Chaplain Saul Castillo who presented the flag to the City Council in April 2005. He said he hoped that people speaking at the podium would see it and remember that their right to free speech came at a price.

City Manager Ness introduced two Cal Poly Interns, Sabrina Casebolt and Michelle Ladue, who would be working for the City during the summer.

RESOLUTION COMMENDING GERARD BONGO
Mayor Lavagnino read a resolution commending and congratulating Gerard Bongo, Police Officer for the Santa Maria Police Department, upon his retirement after twenty-six years of faithful, distinguished, and devoted service to the City and the community.

Resolution No. 2005-92 was adopted on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following vote:

AYES:	Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES:	None
ABSENT:	None
ABSTAIN:	None

Resolution No. 2005-92 adopted. A RESOLUTION COMMENDING SANTA MARIA POLICE OFFICER GERARD BONGO FOR HIS 26 YEARS OF OUTSTANDING SERVICE TO THE CITY OF SANTA MARIA AND CONGRATULATING HIM ON HIS RETIREMENT.

Mayor Lavagnino presented the resolution to Officer Gerard Bongo and thanked him for his many years of service.

PROCLAMATION COMMENDING DREW AND NERISSA SUGARS
Councilmember Patino read a proclamation commending Drew and Nerissa Sugars for their efforts in making the KCOY Spring Food Drive for the Food Bank of Santa Barbara County a resounding success. The proclamation was accepted by Drew and Nerissa Sugars.

RECREATION AND PARKS VOLUNTEER OF THE MONTH
Councilmember Orach presented a gift to Dave Price, the Recreation and Parks Volunteer of the Month for June, for his time and dedication to the Police Activities League (PAL) Boxing Program.

PUBLIC COMMENT
Myrt Parra again requested a written report of any conversations between members of the City Council or City staff and any staff members from the City of Guadalupe to discuss the City of Guadalupe selling water to Orcutt for the Orcutt Plaza project.

City Attorney Trujillo explained that Ms. Parra made the same request at the June 7, 2005, City Council meeting and that after a diligent search under the Public Records Act, Ms. Parra was provided with all documents in response to her request.

George Alvarez also spoke regarding an alleged meeting between the City Administrator of Guadalupe and Santa Maria City staff members.

Ernest Armenta spoke on Consent Agenda Item 3G and thanked the City for suspending landfill and solid waste collection rate increases. He talked about increased traffic caused by growth and the number of accidents and pedestrian deaths this year and suggested the City do something. In response to comments regarding the Police Department escorting Michael Jackson to court, he requested the Police Department go back to escorting funeral processions as they had done in the past.

Sandra Dickerson, Fair Neighbors Association, spoke regarding increased noise from the Santa Maria Fairpark due to loud concerts, monster trucks, and motocross races, and the impact it was having on the surrounding residential neighborhoods. She read a letter outlining their concerns.

Ed Crawford, Fair Neighbors Association, presented a petition with over 350 signatures from the residents surrounding the Santa Maria Fairpark asking the City Council to take proactive steps to resolve the noise and parking issues.

Bill Orndorff, Fair Neighbors Association, requested the City Council adopt a resolution at a future meeting recommending the Santa Maria Fairpark "Be a Good Neighbor" and conduct its operations compatibly with the adjacent residential neighborhoods.

Mayor Lavagnino requested City Manager Ness schedule a meeting with representatives of the Fair Neighbors Association to discuss their concerns.

CONSENT CALENDAR
Councilmember Trujillo requested Item 3F be pulled for comment. Councilmember Orach requested Items 3G and 3L be pulled. Councilmember Mariscal asked to have Item 3H pulled.

Item 3F – Annual Operating Agreements with the Chamber of Commerce, Historical Society and Museum of Flight.

Councilmember Trujillo commented that he knew what the Chamber of Commerce was going to do for the City, and he was looking forward to working with the Chamber to bring high-paying jobs to the City.

Item 3G – Suspension of landfill and solid waste collection rate increases.

Councilmember Orach commended staff for being able to suspend the rate increases for the residents for another year.

Item 3H – Designating the Minerva Club as a Historic Landmark.

Councilmember Mariscal commented that this action was long overdue. The Minerva Club has been a community asset for a long time. It was the women of the Minerva Club that were instrumental in getting the City incorporated in 1905. He congratulated all members of the Minerva Club, past and present, for maintaining the building.

Item 3L – Household Hazardous Waste Facility Expansion Award of Bid.

Councilmember Orach commented that it was important to expand the Household Hazardous Waste Facility to give the residents of the City more opportunity to properly dispose of caustic chemicals instead of putting them in their trash.

Consent Calendar Items A through M were approved with the indicated action on motion by Councilmember Mariscal, seconded by Councilmember Orach, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar are adopted by the same vote cast at the first reading unless City Council indicates otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of June 7, 2005, were approved as submitted.

C. RELEASE OF BOND
A bond for on-site water system public improvements in the amount of $157,000 posted in connection with Parke Orcutt Apartments located at 3217 Orcutt Road was released.

D. WARRANTS
Warrant Nos. 120556 to 120669 in the amount of $2,428,620.74 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 117188, 118170, and 120573, were cancelled.

E. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads as shown on records on file in the Administrative Services Department and having been approved for payment by the Director of Administrative Services.

F. ANNUAL OPERATING AGREEMENTS
Resolution Nos. 2005-93, 2005-94, and 2005-95 were adopted approving annual operating agreements with the Santa Maria Valley Chamber of Commerce, the Santa Maria Valley Historical Society, and the Santa Maria Museum of Flight for the period of July 1, 2005, through June 30, 2006.

Resolution No. 2005-93 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ANNUAL OPERATING AGREEMENT WITH THE SANTA MARIA VALLEY CHAMBER OF COMMERCE.

Resolution No. 2005-94 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ANNUAL OPERATING AGREEMENT WITH THE SANTA MARIA VALLEY HISTORICAL SOCIETY.

Resolution No. 2005-95 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ANNUAL OPERATING AGREEMENT WITH THE SANTA MARIA MUSEUM OF FLIGHT.

G. RATE SUSPENSION

Resolution No. 2005-96 was adopted approving the suspension of the five percent rate increase for landfill rates effective July 2005 and the suspension of the five percent rate increase for solid waste collection rates (residential and commercial) effective January 2006.

Resolution No. 2005-96 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA APPROVING THE SUSPENSION OF ANNUAL RATE INCREASES FOR THE LANDFILL AND SOLID WASTE COLLECTION.

H. MINERVA CLUB

Resolution No. 2005-97 was adopted designating the Minerva Club located at 127 West Boone Street as a Historic Landmark.

Resolution No. 2005-97 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, DESIGNATING THE MINERVA CLUB AS HISTORIC LANDMARK LM-12 (SP-2005-009), LOCATED AT 127 WEST BOONE STREET.

I. DMA2K PLAN

Resolution No. 2005-98 was adopted approving the Santa Barbara County Multi-Jurisdictional Hazard Mitigation Plan (DMA2K) Plan.

Resolution No. 2005-98 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ADOPTING THE SANTA BARBARA COUNTY MULTI-JURISDICTIONAL HAZARD MITIGATION PLAN.

J. CALL FOR BIDS

Authorization was granted to call for bids on the plans and specifications for Bid No. 2005/14, Street Maintenance (Chip Seal), 2005.

K. NOTICE OF COMPLETION

A Notice of Completion was approved for recording for the Santa Maria Landfill Rolling Closure, Phase III, Bid No. 2005/08.

L. AWARD OF BID

Resolution No. 2005-99 was adopted awarding the bid and approving an agreement with Diani Building Corporation for Bid No. 2005/13, Household Hazardous Waste Facility Expansion.

Resolution No. 2005-99 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A CONTRACT WITH DIANI BUILDING CORP. FOR HOUSEHOLD HAZARDOUS WASTE FACILITY EXPANSION, BID NO. 2005/13.

M. AMENDMENT TO AGREEMENT

Resolution No. 2005-100 was adopted approving an amendment to the agreement with the California Dental Association Foundation, Inc. for reimbursement of capital and one year operations costs associated with the Fluoridation Facility.

Resolution No. 2005-100 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AUTHORIZING AND DIRECTING THE CITY MANAGER TO EXECUTE AN AMENDMENT TO THE AGREEMENT WITH THE CALIFORNIA DENTAL ASSOCIATION FOUNDATION, INCORPORATED FOR REIMBURSEMENT OF CAPITAL AND ONE YEAR OPERATIONS COSTS ASSOCIATED WITH THE FLUORIDATION FACILITY.

MID-CYCLE BUDGET REPORT AND AMENDMENTS

City Manager Ness gave the staff report. Last year the City Council adopted two one-year budgets covering the period from July 1, 2004, through June 30, 2006. At that time, staff indicated it would be necessary to revisit the adopted 2005-06 budget plan during the mid-cycle review period to make appropriate amendments to the budget for unforeseen events and needs. For 2005-06, staff recommends adjustments to appropriations and revenues. Total proposed appropriations in the General Fund are $45,227,537. This is $1,830,797 or approximately 4.2 percent higher than previously adopted. Overall, total proposed Citywide appropriations are $146.1 million. This is $9.2 million or roughly 6.8 percent more than previously adopted. The increase in total proposed appropriations in 2005-06 can be largely attributed to: 1) one-time capital costs associated with enterprise/utility-related capital projects; 2) increased operations costs associated with the City's expanded bus service from Santa Maria to Lompoc (The Breeze); 3) operations costs associated with regulatory compliance requirements at the landfill and wastewater treatment plant; 4) the City's share of increased retirement expenses associated with the California Public Employees Retirement System; 5) previously negotiated employee salary and benefit increases; 6) operational and capital costs associated with the expansion of the City's refuse collection service area in the southern portion of the City; and 7) costs associated with technology and the implementation of a citywide integrated geographical information system (GIS). Except for the increased appropriations mentioned, departmental operating budgets are consistent with 2004-05 levels while the CPI has increased by roughly 4 percent this past year. Twenty-seven new capital projects are being recommended in addition to the 52 capital projects previously approved for 2005-06.

Mayor Lavagnino stated he was so impressed with the staff that the City of Santa Maria has. The reason the City is in good financial condition today is because of the City Manager and his staff, the department heads, and all City staff.

Dan Lopez also commended City Manager Ness and City staff. He recommended the City use more consultants to help with the impacts of the City's growth. He expressed concern over the proposal to reclass of the Special Projects Manager and felt that department needed to continue to expand to meet the needs of the community.

Ernest Armenta asked at what point in the budget process did the City declare financial hardship and if it would be when the State budget was passed. He also asked if the City did declare financial hardship, it could go back to the employee groups and reduce retirement benefits or medical benefits.

City Manager Ness explained that the City was in good financial condition. In order to declare financial hardship, a City would have had to deplete all its reserves. The City was not even close to being in that situation.

Mr. Armenta also expressed concern about the Police Department taking such a large portion of the General Fund and said he would like to see more Fire employees hired. He said it was the service and retail workers of the City who treat everyone equally and bring people back to the City that keeps the City going.

Laurie Tamura stated she was probably one of the few members of the community that got to work with staff members from many departments. They are a good staff with a common goal. She recommended the City hire more employees in the Community Development Department to keep up with the growth in the community.

William Wagener disagreed and said the less employees and the less regulation a City had, the more businesses it would attract. He said he would like to see a detailed budget, not a summary. There was no break down in the budget report for PEG funds. He requested the City name a park after Michael Joe Jackson in honor of his being found innocent.

Councilmember Mariscal said he felt the City had a phenomenal staff. It was a planning staff which was part of what made Santa Maria strong. He asked what it would cost the City to go from 4.8 employees per 1,000 population to 5.8 employees per 1,000, a one percent increase in staffing.

City Manager Ness replied if Santa Maria reached the average employee per capita ratio of other cities in the area, it would cost about $16 to $18 million.

Councilmember Mariscal stated that was a good indication why the cities of Santa Barbara and San Luis Obispo had financial problems. Santa Maria receives less than $.10 on the dollar from property taxes. That rate was set by Proposition 13 and would not change. He said he thought Laurie Tamura was correct. The number of building inspections was phenomenal. He asked if the Council could look at that issue in the future.

City Manager Ness stated in the last six months, the City had hired a Building Permit Technician and a Building Inspector. If there is a spike in workload and the revenue is available, staff can bring the issue back to the Council.

Councilmember Mariscal also commented on the relocation of Fire Station No. 3 and the construction of a new Fire Station No. 5.

Councilmember Patino stated with the Governor's May revised budget, there was no deficit borrowing proposed, and that was good. She thanked City Manager Ness, his staff, and the department heads and their staff for the budget. The City should be very pleased with what it is doing. There are expansions in the budget and there are reserves. Staff has been very creative in generating new revenue.

Councilmember Trujillo stated he also was very impressed with the budget. He said you could always tell the health of a city by its parks, and Santa Maria's parks were beautiful. He said the budget proposed a Community Outreach Coordinator, and with the growth of the City, that should be a full-time position. He recommended that the City Council salaries be increased by approximately $120 a month. Beginning July 1st the Santa Barbara City Councilmembers would be receiving over $3,000 per month and the Mayor would be receiving over $45,000 a year. He asked staff, with Council concurrence, to bring back recommendations for a salary increase for Council.

Councilmember Orach said City staff had always been exemplary. When things were tough in the mid 1990's, Police, Fire, and the City Council reduced their salaries, and City offices were closed several days and City employees were sent home without pay. City Manager Ness told the Council at that time that to ensure it didn't happen again, the City needed to build up reserves. The City had been working on a long-range plan for many years and projects were getting completed. Santa Maria provides as good or better service with less employees than any other city. He expressed concerns regarding downsizing the Special Projects Division. That Division has been doing economic development and asked who would be taking over those responsibilities. The Downtown Specific Plan was in its final stages and someone would need to work with the Community Development Department and the Chamber of Commerce to get it implemented. He asked about the part-time position that was proposed to help with the GIS system and if that needed to be a full-time position.

City Manager Ness indicated that staff was making a recommendation for a reorganization of the Special Projects Division with one position being reduced from 40 hours a week to 32 hours a week – a reduction of eight hours a week. The position would be spending more time in community outreach.

Assistant City Manager Haydon explained that the recommendation on the reorganization was a result of an outside consultants analysis of the workload and job analysis study of personnel within the division and that we would be refocusing on community outreach rather than on activities and events, and that the a number of these activities and events are one-time in duration.

City Manager Ness stated he, his staff, Community Development Department staff, and the Chamber of Commerce would be working on economic development issues and implementing the Downtown Specific Plan.

Resolution No. 2005-101 was adopted on motion by Councilmember Trujillo, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Mariscal, Orach, Patino, Trujillo, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2005-101 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING THE BUDGET FOR THE FISCAL YEAR 2005-06 AND DELEGATING THE CITY MANAGER TO IMPLEMENT SAME.

City Manager Ness thanked City staff and the department heads who monitor their budgets and keep them within approved allocations. He thanked Assistant City Manager Haydon and Director of Administrative Services Snodgrass who spent nights and weekends putting the budget together.

REPORT BY CITY MANAGER:
City Manager Ness reported on items for the July 5, 2005, City Council meeting including public hearings on the annual assessments for the Williams Feedlot Assessment District and the four Landscape Maintenance Assessment Districts, a Resolution of Necessity for the Blosser Road Widening project, and possibly a discussion on the water lawsuit.

ORAL REPORTS OF COUNCILMEMBERS AND OFFICERS:
Councilmember Trujillo commended staff on the budget process. He informed the public that Councilmembers were kept apprised of financial matters on a regular basis. He also reported that he had attended the Guelaguetza Day Celebration on June 12th at Hagerman Park.

Councilmember Patino also reported on the Guelaguetza Day Celebration. She commended the Santa Maria Police Department, the Santa Barbara County Sheriffs Department, and the California Highway Patrol for their work during the Michael Jackson trial.

Councilmember Mariscal also commended the Santa Maria Police Department and Santa Barbara County Sheriffs, especially Santa Maria Police Lieutenant Chris Vaughan who was in charge of deployment of police officers during the trial.

Councilmember Mariscal reported attending the Guelaguetza Day Celebration and said it was a wonderful event. He congratulated his wife, Marye, on obtaining her Master's Degree.

Mayor Lavagnino also congratulated Police Chief Macagni for the Police Department's handling of the Michael Jackson trial. He said Santa Maria was in the spotlight for several months during the trial, and Santa Maria really shined. He also thanked the Santa Barbara County Sheriffs and the California Highway Patrol.

CLOSED SESSION:
The City Council recessed to a Closed Session at 8:45 p.m. for the following: Conference with Legal Counsel regarding existing litigation pursuant to Subsection (a) of Government Code Section 54956.9 to discuss Santa Maria Valley Water Conservation District v. City of Santa Maria and Pierce v. Santa Barbara County Association of Governments (SBCAG); and Conference with Legal Counsel regarding Complaint or Charge Against Public Employee pursuant to Government Code Section 54957(b)(1).

After the Closed Session, the following was announced:

Santa Maria Valley Water Conservation District v. City of Santa Maria – Status report.

Pierce v. SBCAG – Status report. Direction to staff.

Complaint or Charge Against Public Employee – Direction to staff.

ADJOURNMENT
There being no further business to come before the City Council at this time, the meeting was declared adjourned at 9:47 p.m. by order of Mayor Lavagnino.

APPROVED

July 5, 2005
Date

ATTEST
Chief Deputy City Clerk

Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

Mayor of the City of Santa Maria